

CITY OF BISMARCK POLICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2007

	August-07				July-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month	Market Value	Allocation	Policy	Month	Fiscal YTD	FY07	Ended	Ended
				Net ROR				Net ROR	Net ROR	Net ROR	6/30/2007	6/30/2007
											Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	760,702	3.2%	3.2%	1.14%	760,668	3.2%	3.2%	-3.21%	-2.10%	21.75%	13.79%	N/A
Total Structured Growth	760,702	3.2%	3.2%	1.14%	760,668	3.2%	3.2%	-3.21%	-2.10%	21.75%	13.79%	11.59%
Russell 1000 Growth				1.59%				-1.55%	0.02%	19.04%	8.70%	9.28%
<i>Structured Value</i>												
LSV	869,484	3.7%	3.6%	1.16%	859,268	3.6%	3.6%	-4.79%	-3.69%	23.29%	19.11%	16.46%
Russell 1000 Value				1.12%				-4.62%	-3.56%	21.87%	15.93%	13.31%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	804,004	3.4%	3.4%	0.85%	797,153	3.3%	3.4%	-3.82%	-3.00%	20.43%	13.31%	11.77%
Russell 1000				1.36%				-3.09%	-1.77%	20.43%	12.34%	11.33%
<i>Enhanced S&P 500 Index</i>												
Northern Trust	734,352	3.1%	3.1%	1.55%	723,014	3.0%	3.1%	-3.90%	-2.42%	19.26%	11.40%	10.53%
Westridge	954,699	4.0%	3.1%	1.54%	940,613	3.9%	3.1%	-1.62%	-0.10%	21.05%	12.00%	11.00%
Wells Capital	619,068	2.6%	2.4%	1.81%	607,081	2.5%	2.4%	-4.75%	-3.02%	30.71%	N/A	N/A
Franklin	548,123	2.3%	2.4%	1.74%	538,425	2.3%	2.4%	-4.38%	-2.73%	N/A	N/A	N/A
Total Enhanced S&P 500 Index	2,856,242	9.7%	11.0%	1.64%	2,809,132	9.5%	11.0%	-3.43%	-1.85%	21.56%	11.94%	11.24%
S&P 500				1.50%				-3.10%	-1.65%	20.59%	11.68%	10.71%
<i>Absolute Return Strategy</i>												
Epoch	153,047	0.6%	1.1%	0.92%	151,801	0.6%	1.1%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.50%					-3.10%	-1.65%		
<i>S&P 500 Index</i>												
State Street	379,183	1.6%	1.7%	0.81%	375,899	1.6%	1.7%	-4.08%	-3.31%	21.86%	12.41%	11.15%
S&P 500				1.50%				-3.10%	-1.65%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	5,822,662	24.5%	24.0%	1.30%	5,753,921	24.2%	24.0%	-3.70%	-2.45%	21.66%	13.61%	12.15%
S&P 500				1.50%				-3.10%	-1.65%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	1,928,473	8.1%	8.6%	0.89%	2,067,701	8.7%	8.6%	-7.14%	-6.31%	17.13%	13.31%	14.32%
Russell 2000 + 200bp				2.43%				-6.67%	-4.40%	18.76%	15.72%	16.16%
Callan	842,440	3.6%	3.4%	1.46%	848,676	3.6%	3.4%	-5.30%	-3.91%	21.00%	N/A	N/A
Russell 2000				2.27%				-6.84%	-4.73%	16.44%		
TOTAL SMALL CAP DOMESTIC EQUITY	2,770,914	11.7%	12.0%	1.06%	2,916,376	12.2%	12.0%	-6.60%	-5.62%	17.89%	13.50%	14.44%
Russell 2000				2.27%				-6.84%	-4.73%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	256,012	1.1%	1.1%	-2.31%	261,904	1.1%	1.1%	-1.25%	-3.52%	27.82%	20.73%	15.09%
MSCI EAFE (1)				-1.56%				-1.47%	-3.01%	27.00%	20.77%	14.70%
<i>Large Cap - Active</i>												
Capital Guardian	774,392	3.3%	3.3%	-2.56%	795,486	3.3%	3.3%	-1.97%	-4.47%	26.04%	21.52%	14.83%
LSV	768,081	3.2%	3.3%	-2.87%	790,703	3.3%	3.3%	-1.92%	-4.74%	29.94%	N/A	N/A
Bank of Ireland	255,105	1.1%	1.1%	-3.69%	264,782	1.1%	1.1%	-1.49%	-5.12%	25.29%	19.70%	13.72%
Total Large Cap - Active	1,797,578	7.6%	7.7%	-2.85%	1,850,971	7.8%	7.7%	-1.88%	-4.68%	27.58%	22.64%	15.45%
MSCI EAFE - 50% Hedged				-1.40%				-2.31%	-3.68%	26.94%	22.55%	15.71%
<i>Small Cap - Active</i>												
Lazard	245,854	1.0%	1.1%	-5.06%	259,190	1.1%	1.1%	0.24%	-4.83%	24.18%	22.99%	21.28%
Wellington	255,060	1.1%	1.1%	-5.17%	269,346	1.1%	1.1%	0.13%	-5.05%	26.62%	20.49%	21.40%
Total Small Cap - Active	500,914	2.1%	2.2%	-5.12%	528,537	2.2%	2.2%	0.18%	-4.94%	25.39%	21.75%	21.34%
Citigroup Broad Market Index < \$2BN				4.60%				1.20%	5.86%	28.60%	26.33%	25.39%
TOTAL INTERNATIONAL EQUITY	2,554,504	10.8%	11.0%	-3.25%	2,641,411	11.1%	11.0%	-1.41%	-4.62%	27.21%	22.14%	16.66%
MSCI EAFE - 50% Hedged				-1.40%				-2.31%	-3.68%	26.94%	22.55%	15.71%
EMERGING MARKETS EQUITY												
<i>Core</i>												
JP Morgan	145,006	0.6%	0.5%	-0.55%	146,033	0.6%	0.5%	2.34%	1.78%	46.07%	N/A	N/A
PanAgora	142,383	0.6%	0.5%	-2.48%	145,909	0.6%	0.5%	6.13%	3.51%	46.34%	N/A	N/A
WestLB	141,092	0.6%	0.5%	-4.16%	146,854	0.6%	0.5%	6.60%	2.16%	42.11%	N/A	N/A
UBS	248,608	1.0%	0.9%	-0.70%	250,188	1.1%	0.9%	3.44%	2.71%	42.04%	N/A	N/A
Total Core	677,089	2.9%	2.4%	-1.78%	688,985	2.9%	2.4%	4.42%	2.56%	43.90%	37.74%	29.07%
MSCI Emerging Markets				-2.09%				5.33%	3.12%	45.45%	38.67%	21.67%
<i>Small Cap</i>												
DFA	156,496	0.7%	0.6%	-4.23%	163,300	0.7%	0.6%	4.80%	0.36%	68.14%	N/A	N/A
MSCI Emerging Markets				-2.09%				5.33%	3.12%	45.45%		
<i>Private Equity</i>												
Capital International	6,318	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets												
TOTAL EMERGING MARKETS EQUITY	839,903	3.5%	3.0%	-2.25%	852,284	3.6%	3.0%	4.49%	2.14%	48.23%	38.70%	29.61%
MSCI Emerging Markets				-2.09%				5.33%	3.12%	45.45%	38.67%	30.66%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	654,050	2.8%	2.6%	0.48%	650,504	2.7%	2.6%	0.35%	0.84%	7.00%	4.29%	5.59%
Lehman Aggregate				1.23%				0.83%	2.07%	6.12%	3.98%	4.48%
<i>Index</i>												
Bank of ND	1,183,200	5.0%	6.1%	1.42%	1,166,437	4.9%	6.1%	1.07%	2.52%	5.69%	3.78%	4.49%
Total Index	1,183,200	5.0%	6.1%	1.42%	1,166,437	4.9%	6.1%	1.07%	2.52%	5.69%	3.92%	4.50%
Lehman Gov/Credit				1.28%				1.00%	2.29%	6.00%	3.84%	4.69%
<i>Convertibles</i>												
Calamos (2)	677,325	2.9%	2.6%	1.81%	666,778	2.8%	2.6%	-2.22%	-0.45%	N/A	N/A	N/A
Total Convertibles	677,325	2.9%	2.6%	1.81%	666,778	2.8%	2.6%	-2.22%	-0.45%	12.55%	5.57%	3.31%
Merrill Lynch All Convertibles (3)				-0.12%				-2.40%	-2.51%	15.38%	8.30%	10.89%
<i>BBB Average Quality</i>												
Wells Capital	652,445	2.8%	2.6%	1.01%	645,467	2.7%	2.6%	-0.14%	0.87%	9.12%	5.96%	6.71%
Lehman BBB				1.06%				-0.06%	1.00%	7.54%	4.47%	6.43%

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	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Month	Fiscal YTD	FY07	Ended	Ended
				Net ROR				Net ROR	Net ROR	Net ROR	6/30/2007	6/30/2007
											Net	Net
Private Debt												
Prudential	663,366	2.8%	2.6%	1.13%	655,807	2.8%	2.6%	0.62%	1.76%	7.16%	N/A	N/A
Lehman Aggregate				1.23%				0.83%	2.07%	6.12%		
Timberland												
TIR - Teredo (4)	513,249	2.2%	2.2%	-0.06%	513,272	2.2%	2.2%	-0.06%	-0.12%	26.95%	12.73%	12.23%
TIR - Springbank	1,086,453	4.6%	4.6%	-0.02%	1,086,690	4.6%	4.6%	-0.02%	-0.05%	26.90%	N/A	N/A
Total Timberland	1,599,702	6.7%	6.7%	-0.03%	1,599,962	6.7%	6.7%	-0.04%	-0.07%	27.33%	26.21%	20.09%
NCREIF Timberland Index				0.76%				0.76%	1.53%	11.89%	15.17%	11.37%
Infrastructure												
JP Morgan	268,883	1.1%	1.1%	-0.07%	268,883	1.1%	1.1%	-1.03%	-1.11%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	5,698,971	24.0%	24.5%	0.80%	5,653,838	23.7%	24.5%	0.03%	0.82%	12.52%	11.43%	10.17%
Lehman Aggregate				1.23%				0.83%	2.07%	6.12%	3.98%	4.48%
HIGH YIELD BONDS												
Core												
Loomis Sayles	569,155	2.4%	2.4%	1.44%	564,540	2.4%	2.4%	-3.40%	-2.01%	13.37%	11.25%	N/A
Sutter/Wells Capital	538,855	2.3%	2.4%	1.44%	565,431	2.4%	2.4%	-7.54%	-6.21%	9.82%	8.02%	N/A
Total Core	1,108,010	4.7%	4.7%	1.44%	1,129,971	4.7%	4.7%	-5.44%	-4.08%	11.59%	9.63%	5.67%
LB High Yield 2% Issuer Contstrained Index				1.49%				-3.48%	-2.04%	11.22%	8.70%	N/A
Mezzanine Debt												
Goldman Sachs	25,726	0.1%	0.1%	-0.14%	27,574	0.1%	0.1%	-0.14%	-0.29%	7.39%	N/A	N/A
TCW	41,252	0.2%	0.2%	0.00%	41,252	0.2%	0.2%	N/A	N/A	N/A	N/A	N/A
Total Mezzanine Debt	66,978	0.3%	0.3%	-0.14%	68,827	0.3%	0.3%	-0.14%	-0.29%	7.39%	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				1.49%				-3.48%	-2.04%	11.22%		
TOTAL HIGH YIELD BONDS	1,174,989	5.0%	5.0%	1.36%	1,198,798	5.0%	5.0%	-5.37%	-4.08%	11.62%	9.64%	11.24%
LB High Yield 2% Issuer Contstrained Index				1.49%				-3.48%	-2.04%	11.22%	8.77%	11.75%
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	989,885	4.2%	4.5%	1.16%	978,992	4.1%	4.5%	3.18%	4.39%	0.21%	2.69%	6.66%
Citigroup Non-US Gov't Bond Index (5)				1.64%				3.31%	5.00%	2.22%	3.23%	6.89%
International Core												
Brandywine	1,008,219	4.2%	4.5%	-0.48%	1,015,012	4.3%	4.5%	1.59%	1.09%	6.63%	7.38%	N/A
Lehman Global Aggregate (ex-US)				1.21%				2.79%	4.03%	3.78%	5.22%	N/A
TOTAL INTERNATIONAL FIXED INCOME	1,998,104	8.4%	9.0%	0.33%	1,994,004	8.4%	9.0%	2.36%	2.70%	3.41%	5.03%	8.23%
Citigroup Non-US Gov't Bond Index (5)				1.64%				3.31%	5.00%	2.22%	3.27%	6.92%
REAL ESTATE												
INVESCO	923,004			-0.04%	923,005			-0.04%	-0.08%	14.44%	N/A	N/A
J.P. Morgan Strategic & Special Funds	964,517			0.77%	956,335			-0.09%	0.68%	19.72%	20.09%	15.71%
J.P. Morgan Alternative Property Fund	225,159			-0.33%	225,159			-0.33%	-0.66%	N/A	N/A	N/A
TOTAL REAL ESTATE	2,112,680	8.9%	8.5%	0.30%	2,104,500	8.8%	8.5%	-0.09%	0.20%	15.47%	20.09%	15.71%
NCREIF TOTAL INDEX				1.51%				1.51%	3.04%	17.24%	17.83%	14.30%
ALTERNATIVE INVESTMENTS												
Coral Partners V	15,100			0.00%	15,624			0.00%	0.00%	-1.78%	-4.71%	-14.30%
Coral Partners V - Supplemental	2,159			0.00%	2,213			0.00%	0.00%	8.49%	3.75%	0.86%
Coral Momentum Fund (Formerly Fund VI)	42,725			0.00%	52,522			0.00%	0.00%	-16.26%	-8.10%	N/A
Brinson 1998 Partnership Fund	3,519			0.00%	3,595			0.00%	0.00%	31.02%	22.24%	11.25%
Brinson 1999 Partnership Fund	8,923			0.00%	9,117			0.00%	0.00%	19.95%	14.43%	7.53%
Brinson 2000 Partnership Fund	24,520			0.00%	25,053			0.00%	0.00%	13.52%	18.72%	9.86%
Brinson 2001 Partnership Fund	20,428			0.00%	20,872			0.00%	0.00%	15.81%	13.02%	7.67%
Brinson 2002 Partnership Fund	11,487			0.00%	11,736			0.00%	0.00%	11.10%	12.11%	11.95%
Brinson 2003 Partnership Fund	3,588			0.00%	3,953			0.00%	0.00%	34.38%	19.70%	N/A
Total Brinson Partnership Funds	72,465			0.00%	74,325			0.00%	0.00%	16.34%	16.34%	10.08%
Brinson 1999 Non-US Partnership Fund	3,645			0.00%	4,842			0.00%	0.00%	111.26%	57.67%	39.95%
Brinson 2000 Non-US Partnership Fund	8,570			0.00%	9,467			0.00%	0.00%	55.10%	34.26%	25.05%
Brinson 2001 Non-US Partnership Fund	7,079			0.00%	7,233			0.00%	0.00%	7.81%	14.42%	11.71%
Brinson 2002 Non-US Partnership Fund	13,690			0.00%	14,582			0.00%	0.00%	88.98%	43.24%	29.72%
Brinson 2003 Non-US Partnership Fund	10,591			0.00%	12,817			0.00%	0.00%	76.59%	33.38%	N/A
Brinson 2004 Non-US Partnership Fund	4,112			0.00%	4,831			0.00%	0.00%	23.98%	15.75%	N/A
Total Brinson Non-US Partnership Fund	47,686			0.00%	53,772			0.00%	0.00%	62.33%	35.68%	25.84%
Brinson BVCF IV	39,490			0.00%	43,530			0.00%	0.00%	-3.23%	10.47%	6.87%
Adams Street Direct Co-investment Fund	21,121			0.00%	21,579			0.00%	0.00%	N/A	N/A	N/A
Matlin Patterson Global Opportunities	9,938			0.00%	33,409			0.00%	0.00%	10.95%	25.72%	N/A
Matlin Patterson Global Opportunities II	71,171			0.00%	72,265			0.00%	0.00%	37.09%	N/A	N/A
Matlin Patterson Global Opportunities III	8,370			0.00%	1,832			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	12,272			0.00%	12,538			0.00%	0.00%	13.96%	-2.58%	-5.68%
Hearthstone MSII	0			0.00%	0			0.00%	0.00%	-95.85%	-100.00%	-100.00%
Hearthstone MSIII	6,597			0.00%	6,740			0.00%	0.00%	208.65%	79.05%	N/A
Corsair III	8,133			0.00%	9,127			0.00%	0.00%	N/A	N/A	N/A
Quantum Resources	8,097			0.00%	9,048			0.00%	0.00%	N/A	N/A	N/A
Quantum Energy Partners	1,859			0.00%	2,081			0.00%	0.00%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (6)	367,183	1.5%	3.0%	0.00%	410,607	1.7%	3.0%	0.00%	0.00%	16.97%	15.16%	8.08%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	383,519	1.6%	0.0%	-0.25%	287,799	1.2%	0.0%	0.33%	0.08%	5.25%	3.91%	3.00%
90 Day T-Bill				0.56%				0.39%	0.95%	5.21%	3.78%	2.76%
TOTAL FUND	23,723,430	100.0%	100.0%	0.31%	23,813,537	100.0%	100.0%	-1.82%	-1.52%	17.87%	13.79%	12.47%
POLICY TARGET BENCHMARK				0.94%				-1.33%	-0.41%	14.48%	10.23%	9.83%

NOTE: Monthly returns and market values are preliminary and subject to change.

- (1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.
- (2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.
- (3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.
- (4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.
- (5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.
- (6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.